

SANDLER, REIFF & YOUNG, P.C.

50 E STREET, S.E., SUITE 300
WASHINGTON, DC 20003

JOSEPH E. SANDLER
sandler@sandlerreiff.com
NEIL P. REIFF
reiff@sandlerreiff.com

TELEPHONE: (202) 479-1111
FACSIMILE: (202) 479-1115

COUNSEL:
JOHN HARDIN YOUNG
young@sandlerreiff.com

August 27, 2004

Via Facsimile and First Class Mail

Kim C. Stevenson, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

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**Re: MUR 5509—Democratic National Committee/DNC Services
Corporation and 2004 Democratic National Convention Committee,
Inc., Respondents**

Dear Ms. Stevenson:

This will respond to the Complaint filed in the above-referenced MUR, on behalf of respondents DNC Services Corporation/Democratic National Committee ("DNC") and 2004 Democratic National Convention Committee, Inc. ("DNCC"). A Statement of Designation of Counsel from each respondent is attached hereto.

In essence, the Complaint alleges that general election public financing provided to Kerry-Edwards '04, and public financing provided to DNCC, have been used to fund efforts to deny access to the ballot by Ralph Nader and Peter Camejo, who are candidates for President of the U.S., running variously in different states as the alleged nominees of various political parties and/or as independent candidates. The Complaint charges that use of such public funding represents state action "restricting competition in the electoral arena" and violating civil rights statutes prohibiting persons acting under color of state law from depriving "others, in this case Nader-Camejo and their supporters, of their constitutionally protected rights and freedoms." (Complaint ¶¶19-20). The Complaint suggests that, "To the extent that activities of the sort described above took place at or were furthered by conduct taking place at the Democratic Party nominating convention, they gave rise to expenditures that are not permitted under 11 CFR Sec. 9008.7." (Complaint ¶23).

Kim C. Stevenson, Esq.

August 27, 2004

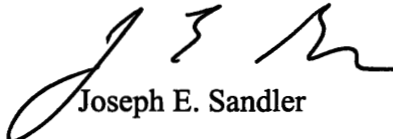
Page Two

This Complaint does not set forth any facts whatsoever that would establish any violation, by either the DNC or DNCC, of the Federal Election Campaign Act of 1971 as amended (the "Act"), the Presidential Election Campaign Fund Act, as amended (the "Fund Act") or the Commission's regulations. First, since the DNC itself does not receive any public funding of any kind, it is impossible for the DNC to have used any such funding for any non-qualified expenditure.

Second, the Complaint does not state any fact at all that suggests where, when or how any Nader-related activity took place at the 2004 Democratic National Convention, or any fact suggesting that any of the public funding provided to DNCC was in any way used for any such Nader-related activity. Of course, the DNCC's use of its public grant is subject to a full audit by the Commission, in any event.

For these reasons, the Commission should find no reason to believe that either the DNC or DNCC have violated any provision of the Act, the Fund Act or the Commission's rules, and should dismiss the Complaint and close the file in this case as to both of these respondents.

Respectfully submitted,



Joseph E. Sandler

Attorneys for Respondents DNC Services
Corporation/Democratic National Committee and
2004 Democratic National Convention Committee,
Inc.

25044111426

STATEMENT OF DESIGNATION OF COUNSEL

Please use one form for each respondent.

MUR 5509

NAME OF COUNSEL: Joseph Sandler

FIRM: Sandler, Reiff & Young, P.C.

ADDRESS: 50 E Street, SE

Suite 300

Washington, DC 20003

TELEPHONE: (202) 479-1111

FAX: (202) 479-1115

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

Andrew Tobias

Print Name

8/17/04
Date

AT
Signature

Treasurer

Title

RESPONDENT'S NAME: DNC Service Corp./ Democratic National

Committee

ADDRESS: 430 S. Capitol Street, SE

Washington, DC 20003

TELEPHONE: HOME()

BUSINESS(202) 863-8000

25044111427

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MUR 5509

NAME OF COUNSEL: Joseph Sandler

FIRM: Sandler, Neiff & Young, P.C.

ADDRESS: 50 E Street, SE

Suite 300

Washington, DC 20003

TELEPHONE: (202) 479-1111

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Andrew Tobias

Print Name

8/17/04

Date

A. L.

Signature

Treasurer

Title

RESPONDENT'S NAME: 2004 Democratic National Convention Committee, Inc.

ADDRESS: 430 S. Capitol Street, SE

Washington, DC 20003

TELEPHONE: HOME()

BUSINESS(202) 863-8000

25044111428